

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 13

By: Mazzei of the Senate

and

Dank of the House

6
7
8
9 COMMITTEE SUBSTITUTE

10 [Ad Valorem Reimbursement Fund - distribution of
11 funds - modifying reimbursement amount - effective
12 date]
13

14
15
16 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17 SECTION 1. AMENDATORY 62 O.S. 2001, Section 193, is
18 amended to read as follows:

19 Section 193. A. There is hereby created in the State Treasury
20 a revolving fund for the Oklahoma Tax Commission to be designated
21 the "Ad Valorem Reimbursement Fund". The fund shall be a continuing
22 fund, not subject to fiscal year limitations. Monies apportioned to
23 this fund shall be expended:
24

1 1. To reimburse counties of this state for loss of revenue due
2 to exemptions of ad valorem taxes for new or expanded manufacturing
3 or research and development facilities; provided, for tax year 2012
4 and all subsequent tax years, the property valuation used for
5 determining the amount of such reimbursement shall be limited to the
6 property valuation for the calendar year immediately preceding the
7 calendar year in which the facility initially qualified for such
8 exemption;

9 2. To reimburse counties of this state for loss of revenue for
10 school district and county purposes due to exemptions granted
11 pursuant to the provisions of Section 2890 of Title 68 of the
12 Oklahoma Statutes; and

13 3. To reimburse counties of this state for loss of revenue due
14 to decreased valuation and assessment for buffer strips pursuant to
15 Section ~~2~~ 2817.2 of ~~this act~~ Title 68 of the Oklahoma Statutes.

16 Provided that it shall be the duty of the Tax Commission to
17 assess the valuation of all property for new or expanded
18 manufacturing or research and development facilities which are
19 exempt from ad valorem taxes.

20 Monies apportioned to this fund also may be transferred to other
21 state funds or otherwise expended as directed by the Legislature by
22 law.

23 B. The county commissioners of each county seeking
24 reimbursement for lost revenue from the Ad Valorem Reimbursement

1 Fund shall make claims for reimbursement on forms prescribed by the
2 Tax Commission prior to April 30 of each year. Claims for
3 reimbursement for loss of revenue due to exemptions of ad valorem
4 taxes for new or expanded manufacturing or research and development
5 facilities shall be made separately from claims for reimbursement
6 for loss of revenue for school district and county purposes due to
7 exemptions granted pursuant to the provisions of Section 2890 of
8 Title 68 of the Oklahoma Statutes and separately from claims for
9 reimbursement for loss of revenue for decreased valuation and
10 assessment of buffer strips. Provided, the assessed valuation of a
11 school district as stated in the claim for reimbursement shall be
12 the same as reported to the State Department of Education on the
13 Estimate of Need and shall include the total valuation of property
14 exempt from taxation pursuant to Section 2902 of Title 68 of the
15 Oklahoma Statutes. The claims shall be either approved or
16 disapproved in whole or in part by the Tax Commission by June 15 of
17 each year. A claim for reimbursement for loss of revenue due to an
18 exemption of ad valorem taxes for a new or expanded manufacturing or
19 research and development facility shall be disapproved if a county
20 or school district has received any payment in lieu of ad valorem
21 taxes from such facility, to the extent of the amount of such
22 reimbursement. If the Tax Commission determines that an exemption
23 has been erroneously or unlawfully granted, it shall notify the
24 appropriate county assessor who shall immediately value and assess

1 the property and place it on the rolls for ad valorem taxation.
2 Disbursements from the fund shall be made on warrants issued by the
3 State Treasurer against claims filed by the Tax Commission with the
4 Office of State Finance for payment. Such disbursements shall be
5 exempt from all agency expenditure ceilings. The county treasurer
6 shall apportion or disburse such funds for expenditures in the same
7 manner as other ad valorem tax collections.

8 C. In the event monies apportioned to the Ad Valorem
9 Reimbursement Fund are insufficient to pay all claims for
10 reimbursement made pursuant to subsection B of this section, claims
11 for reimbursement for loss of revenue due to exemptions of ad
12 valorem taxes for new or expanded manufacturing or research and
13 development facilities shall be paid first, and any remaining funds
14 shall be distributed proportionally among the counties making claims
15 for reimbursement for loss of revenue for school district and county
16 purposes due to exemptions granted pursuant to the provisions of
17 Section 2890 of Title 68 of the Oklahoma Statutes, according to the
18 amount of the claim made by each county. If any funds remain after
19 paying all claims for reimbursement for loss of revenue due to
20 exemptions of ad valorem taxation for new or expanded manufacturing
21 or research and development facilities and for reimbursement for
22 loss of revenue for school district and county purposes due to
23 exemptions granted pursuant to the provisions of Section 2890 of
24 Title 68 of the Oklahoma Statutes, the remaining funds shall be

1 distributed proportionally among the counties making claims for
2 reimbursement for loss of revenue for decreased valuation and
3 assessment for buffer strips pursuant to Section ~~2~~ 2817.2 of ~~this~~
4 ~~act~~ Title 68 of the Oklahoma Statutes.

5 SECTION 2. This act shall become effective January 1, 2012.

6

7 53-1-7490 MAH 04/07/11

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24